

4972-K

42A740-S21

Commonwealth of Kentucky
REVENUE CABINETKentucky
Tax on Lump-Sum Distributions

(Use this form only for lump-sum distributions from qualified retirement plans.)

► Attach to Form 740, Form 740-NP or Form 741. ► See federal instructions.

1997

Enter name of recipient of distribution.

Social Security or
federal identification number**PART I—Complete this part to see if you qualify to use Form 4972-K.**

	Yes	No
1. Did you roll over any part of the distribution? If "Yes," do not complete the rest of this form.		
2. Was the retirement plan participant born before January 1, 1936? If "No," do not complete the rest of this form.		
3. Was this a lump-sum distribution from a qualifying pension, profit-sharing or stock bonus plan? (See federal instructions under <i>Distributions That Qualify for the 20% Capital Gain Election or for 5- or 10-Year Averaging.</i>) If "No," do not complete the rest of this form.		
4. Was the employee a participant in the plan for at least 5 years before the year of the distribution?		
5. Was this distribution paid to you as a beneficiary of a plan participant who died? If you answered "No" to 4 and 5, do not complete the rest of this form.		
6. Did you quit, retire, get laid off or get fired from your job before receiving the distribution?		
7. Were you self-employed or an owner-employee and became permanently and totally disabled?		
8. Were you 59½ or older at the time of the distribution? If you answered "No" to all questions 5 through 8, do not complete the rest of this form.		
9. Did you use federal Form 4972 in a prior year for any distribution received after 1986 from a plan for the same employee (including yourself) for whom the 1997 distribution was made? If "Yes," do not complete this form.		

PART II—Complete this part only if you chose the 20% federal capital gain election.

10. (a) Capital gain part from Box 3, Form 1099-R	10(a)		
(b) Enter the exclusion from Kentucky Schedule P, line 10	10(b)		
(c) Subtract line 10(b) from line 10(a). Enter here and include on Form 740, page 2, line 41 (Form 740-NP, page 2, line 45, Column B or Form 741, line 8)	10(c)		

If you chose the five-year averaging method for federal purposes, complete Parts III and IV.

If you chose the 10-year averaging method for federal purposes, complete Parts III and V.

PART III

11. Ordinary income from Form 1099-R, Box 2a minus Box 3. If you did not complete Part II, enter the amount from Box 2a of Form 1099-R (taxable amount) (see federal instructions)	11		
12. Death benefit exclusion (see federal instructions)	12		
13. Subtract line 12 from line 11 (total federal taxable amount)	13		
14. Enter the exclusion from Kentucky Schedule P, line 11	14		
15. Subtract line 14 from line 13 (total Kentucky taxable amount)	15		
16. Current actuarial value of annuity, if applicable (from Form 1099-R, Box 8)	16		
17. Add lines 15 and 16 (adjusted total taxable amount). If this amount is \$70,000 or more, skip lines 18 through 21, and enter this amount on line 22	17		
18. Multiply line 17 by 50% (.50), but do not enter more than \$10,000	18		
19. Subtract \$20,000 from line 17. Enter difference. If line 17 is \$20,000 or less, enter zero	19		
20. Multiply line 19 by 20% (.20)	20		
21. Subtract line 20 from line 18 (minimum distribution allowance)	21		
22. Subtract line 21 from line 17	22		
23. Federal estate tax attributable to lump-sum distribution. Do not deduct on Form 740, Form 740-NP or Form 741 the amount attributable to the ordinary income entered on line 11 (see federal instructions)	23		
24. Subtract line 23 from line 22	24		
If line 16 is blank, skip lines 25 through 27 and go to Part IV or V.			
25. Divide line 16 by line 17 and enter the result as a decimal (round to four places)	25		
26. Multiply line 21 by the decimal amount on line 25	26		
27. Subtract line 26 from line 16	27		

PART IV—Five-Year Averaging Option

28. Multiply line 24 by 20% (.20)	28		
29. Tax on amount on line 28. Use Tax Rate Schedule below	29		
30. Multiply line 29 by 5. If no entry on line 16, skip lines 31 through 33, and enter this amount on line 34	30		
31. Multiply line 27 by 20% (.20)	31		
32. Tax on amount on line 31. Use Tax Rate Schedule below	32		
33. Multiply line 32 by 5	33		
34. Tax on lump-sum distribution. Subtract line 33 from line 30. Enter here and on Schedule TC, line 3(b), Form 740-NP, line 10 or Form 741, line 29(b) (multiple recipients, see federal instructions)	34		

PART V—10-Year Averaging Option

35. Multiply line 24 by 10% (.10)	35		
36. Tax on amount on line 35. Use Tax Rate Schedule below	36		
37. Multiply line 36 by 10. If no entry on line 16, skip lines 38 through 40, and enter this amount on line 41	37		
38. Multiply line 27 by 10% (.10)	38		
39. Tax on amount on line 38. Use Tax Rate Schedule below	39		
40. Multiply line 39 by 10	40		
41. Tax on lump-sum distribution. Subtract line 40 from line 37. Enter here and on Schedule TC, line 3(b), Form 740-NP, line 10 or Form 741, line 29(b) (multiple recipients, see federal instructions)	41		

TAX RATE SCHEDULE*If taxable amount is:**Tax is:*

\$3,000 or less	2% of taxable amount
over \$3,000 but not over \$4,000	\$60 plus 3% of amount over \$3,000
over \$4,000 but not over \$5,000	\$90 plus 4% of amount over \$4,000
over \$5,000 but not over \$8,000	\$130 plus 5% of amount over \$5,000
over \$8,000	\$280 plus 6% of amount over \$8,000